

**FOR IMMEDIATE RELEASE: APRIL 3, 1998**

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**INTERNET PROVIDER TO PAY \$15,000 TO SETTLE MISLEADING ADVERTISING CASE**

A Texas-based Internet provider, doing business in California as FlashNet Communications Company, will pay \$15,000 in penalties and costs to settle a consumer protection lawsuit filed by the San Diego City Attorney's Office.

The lawsuit, filed today in San Diego Superior Court, alleged that Website Management Company, Inc., engaged in misleading advertising and unfair competition by failing to disclose the cost of a "set-up" fee in its advertisements.

The case was investigated by City Attorney Casey Gwinn's Consumer and Environmental Protection Unit, following a consumer complaint to Gwinn's office. The City Attorney's investigation revealed that the company advertised, both on billboards and on the radio, Internet service for "\$8.25 per month when prepaid annually," but did not disclose in its advertisements that new subscribers would also be charged a "set-up" fee of \$35.

"Under California law, it is unlawful to advertise a price for goods or services without conspicuously disclosing the price of all other goods and services that must be purchased as part of the advertised offer," said Deputy City Attorney Michael Rivo, the prosecutor who handled the case. "Consumers have a legal right not to be misled by advertising, just as businesses have a legal right to compete on a level playing field," Rivo added.

Under the terms of the Superior Court Judgment, the company is prohibited from engaging in similar misconduct in the future. The company agreed to the settlement without admitting wrongdoing.

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